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1960

90th Annual Report

Sun Life Assurance Company of Canada

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HEAD OFFICE—MONTREAL

90th Annual Report

to Policyholders of the Sun Life Assurance Company of Canada

for the year ended December 31, 1960

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The Directors

SUN LIFE ASSURANCE COMPANY OF CANADA

GEORGE W. BOURKE, F.I.A., F.S.A., LL.D. — *President*

A. M. CAMPBELL, F.I.A., F.S.A. — *Executive Vice-President*

E. R. ALEXANDER — *Vice-President, Finance*

SIR GEORGE BOLTON, K.C.M.G. — *Chairman,*
Bank of London & South America Limited

HON. F. PHILIPPE BRAIS, C.B.E., Q.C., LL.D. — *Director,*
Canadian Pacific Railway Company

ROSS CLARKSON, D.C.L. — *Chairman of the Board,*
The Royal Trust Company

H. R. CRABTREE — *Chairman and President,*
Woods Manufacturing Company, Limited

ARTHUR CROSS

ALBERT S. FRASER — *Chairman of the Board, The Eastern Trust Company*

J. A. FULLER — *President, The Shawinigan Water and Power Company*

A. E. GRAUER — *Chairman, British Columbia Electric Company Limited*

GEORGE GUND — *President, The Cleveland Trust Company*

R. D. HARKNESS, D.S.O., M.C., LL.D. — *President,*
Northern Electric Company Limited

G. ARNOLD HART — *President, Bank of Montreal*

FREDERICK JOHNSON — *Director, The Bell Telephone Company of Canada*

ROSS H. MCMASTER — *Director, The Steel Company of Canada, Limited*

HON. HARTLAND DE M. MOLSON, O.B.E. — *President,*
Molson's Brewery Limited

V. W. T. SCULLY, C.M.G. — *President, The Steel Company of Canada, Limited*

R. E. STAVERT — *Chairman,*
The Consolidated Mining and Smelting Company of Canada Limited

J. S. D. TORY, O.B.E., Q.C. — *Director, The Royal Bank of Canada*

Highlights

of the 90th Annual Report

New Life Insurance in 1960

\$1,034,745,577
of which \$301,999,825 was issued
on the Group plan

Total Life Insurance now in Force

\$9,572,801,199 (including \$3,618,625,784 of Group insurance)
represented by 2,808,074 individual policies
and Group insurance certificates

Paid to Policyholders and Beneficiaries

\$185,195,670 during 1960
of which \$129,771,290 was paid to living
policyholders and annuitants

Assets at December 31st, 1960

\$2,389,212,662

Policyholders' Dividends in 1961

\$41 million will be paid
in dividends to participating policyholders

President's Address

New life insurance sales again pass billion dollars

Company's business more than doubled in decade

Interdependence...and Canadian-United States relations

I am proud to present, on behalf of the Directors, the 90th Annual Report of the Sun Life Assurance Company of Canada, recording another year of outstanding achievements.

Directors

Since we last met, two new Directors joined our Board. We were privileged to have Mr. Madison M. Walter with us on the Board for only a few months when we suffered grievous loss by his death on December 9, 1960. In attaining his high position in the business and financial community, Mr. Walter made a host of friends who, with us, mourn his passing.

It gave us particular pleasure to welcome our other new Director, Mr. H. Roy Crabtree, Chairman and President of Woods Manufacturing Company Limited. He is the son of a distinguished father—the late Harold Crabtree—who was a member of our Board from 1942 until his death in 1956. Mr. Crabtree is taking a leading part in the development of our country, and his ability and experience will be of great value to the deliberations of the Board.

New Business

In 1960, as in 1959, new life insurance purchased from our Company exceeded one billion dollars. While the 1960 total of \$1,034,745,577 was lower than in 1959, the decrease was less than 1%. New insurance purchased by individuals amounted to \$732,745,752, while new Group life insurance totalled \$301,999,825, which was \$10,430,106 less than the corresponding 1959 amount. With the business climate uncertain in some sectors of the economy in 1960, the sale of Group life insurance approaching our record 1959 figure was very satisfactory.



GEORGE W. BOURKE, F.I.A., F.S.A.,
President

Since 1960 was the end of a decade, it is interesting to compare our 1960 new business results with the year 1950. New business rose from \$441,098,696 in 1950 to \$1,034,745,577 in 1960 — an increase of nearly \$600,000,000. Of this increase, Ordinary insurance contributed \$400,000,000 and Group Life insurance \$200,000,000. This ten-year comparison is an excellent illustration of the success attending our efforts to bring the benefits

and security of life insurance in larger amounts to more and more people. Expansion of our well-trained sales force, the opening of new branch offices, the development of new plans and benefits designed to meet modern conditions, and the maintenance of capable, qualified branch office staffs have all played their part in this important manifestation of the Company's continued progress. We anticipate further significant growth in the new decade.

Our sale of Group Accident and Sickness insurance continued to expand in 1960. New contracts were issued to 196 groups of employees involving annual premiums of \$1,939,964—an increase of 57% over 1959.

Insurance in Force

Life insurance in force amounts to \$9,572,801,199. This is an increase of \$634,679,073, or 7.1%, over the amount in force at the end of 1959. Group life insurance accounts for \$3,618,625,784, representing 37.8% of the total.

At the end of 1950 our life insurance in force was \$4,461,915,659. During the decade, the amount increased by over \$5,000,000,000; that is, our business more than doubled.

At the end of 1960, annuities payable currently and in the future under individual contracts and Group pension plans totalled \$200,202,395 per annum. Provision is being made under these contracts to cover the retirement needs of over 150,000 persons. The amount of the annuities in force is the equivalent in value of \$2,642,671,614 of life insurance.

Adding the life insurance equivalent of the annuities in force to the life insurance in force, we obtain a combined figure of \$12,215,472,813. Of this total, over 98% is in Canada, United States, United Kingdom and Commonwealth countries.

Annual premiums on Group Accident and Sickness business in force at the end of the year covering 563 groups of employees amounted to \$6,422,030—an increase over the preceding year of \$2,323,678, or 57%.

Benefit Payments

The service rendered by a life insurance company is represented by the benefit payments it makes. During 1960 these amounted to \$185,195,670, of which \$55,424,380 was paid to beneficiaries of deceased policyholders. Included in this latter amount was almost \$10,000,000 representing payments in respect of deaths occurring under policies and group certificates which had been in force for less than five years. Figures such as these demonstrate forcefully the unique function of life insurance in creating immediate estates. Payments to living policyholders and annuitants amounted to \$129,771,290. These payments included matured endowments, disability benefits, accident and sickness benefits, annuity payments, policyholder dividends and cash values. The total benefit payments made by the Company since it commenced business are now \$3,819,803,915.

Assets

At the end of 1960, the assets of the Company amounted to \$2,389,212,662, an increase of \$81,800,612 for the year. Under the economic conditions which prevailed during 1960 it was possible to select for our new money a wide variety of investments at very satisfactory interest rates.

During the year a large proportion of our new funds was used for the acquisition of mortgages on residential, commercial and industrial properties in Canada and the United States. A total of \$97,450,000 was advanced in new mortgage loans during the year. Our mortgage loans now number 57,000 for an amount of \$608,636,749, which is more than three times the total at the end of 1950.

Advantage was also taken during the year of favourable opportunities to increase our holdings of equities by \$15,530,159 in diversified industries in Canada, United States and the United Kingdom. The book value of our common stocks now totals \$172,131,488.

Since the end of World War II, while our holdings of Canadian common stocks increased by one-third, our Canadian industrial

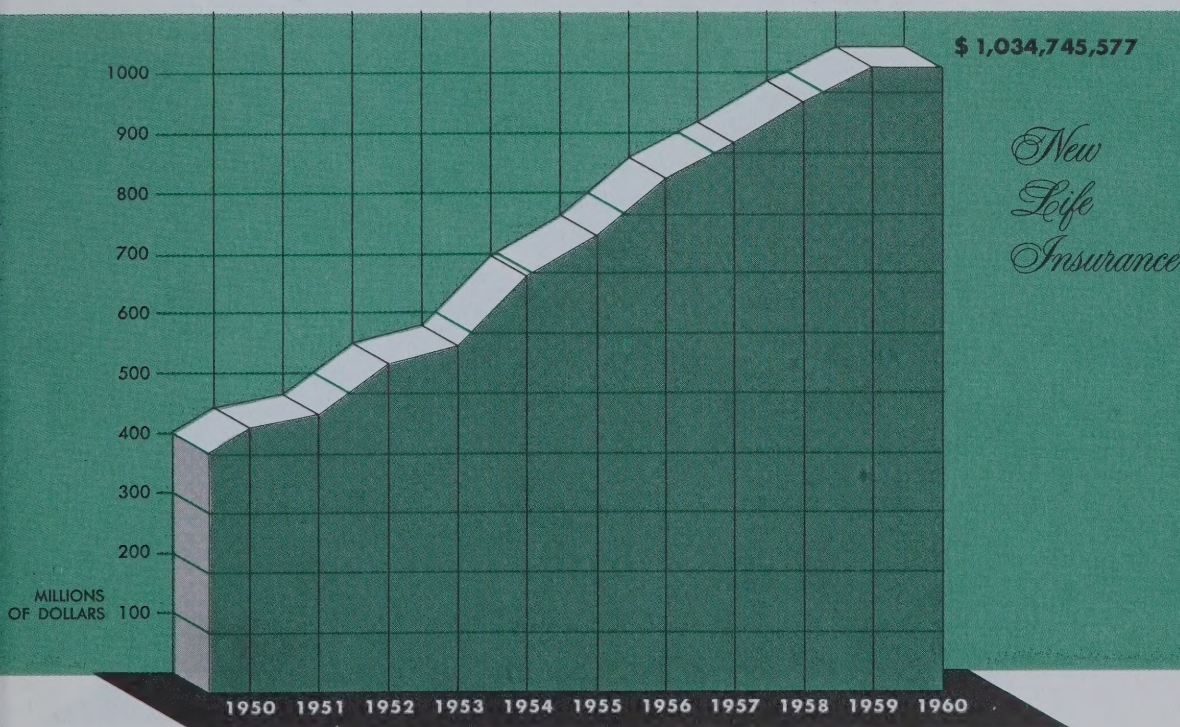
and public utilities bond portfolio increased by \$246,000,000, and our commercial mortgages almost six times. We have thus been making a substantial contribution to Canada's own development of its resources.

The Federal Government has recently introduced amendments to the life insurance Acts including extension of the investment limits in respect of specified types of insurance. The life insurance companies warmly welcome this action.

The increase in our bond holdings during the year was modest as a result of our large new investments in mortgages and common stocks. Our bond portfolio now amounts to \$1,319,140,109.

The increase of \$3,802,511 in real estate occupied by the Company marks the completion of our new office building in Toronto, the official opening of which was held last month.

The market value of our securities exceeded the book value at which they are shown in the balance sheet. In addition to this margin, the investment reserve which has been maintained at \$38,000,000 is also available to offset any future adverse fluctuations in market values.



Liabilities

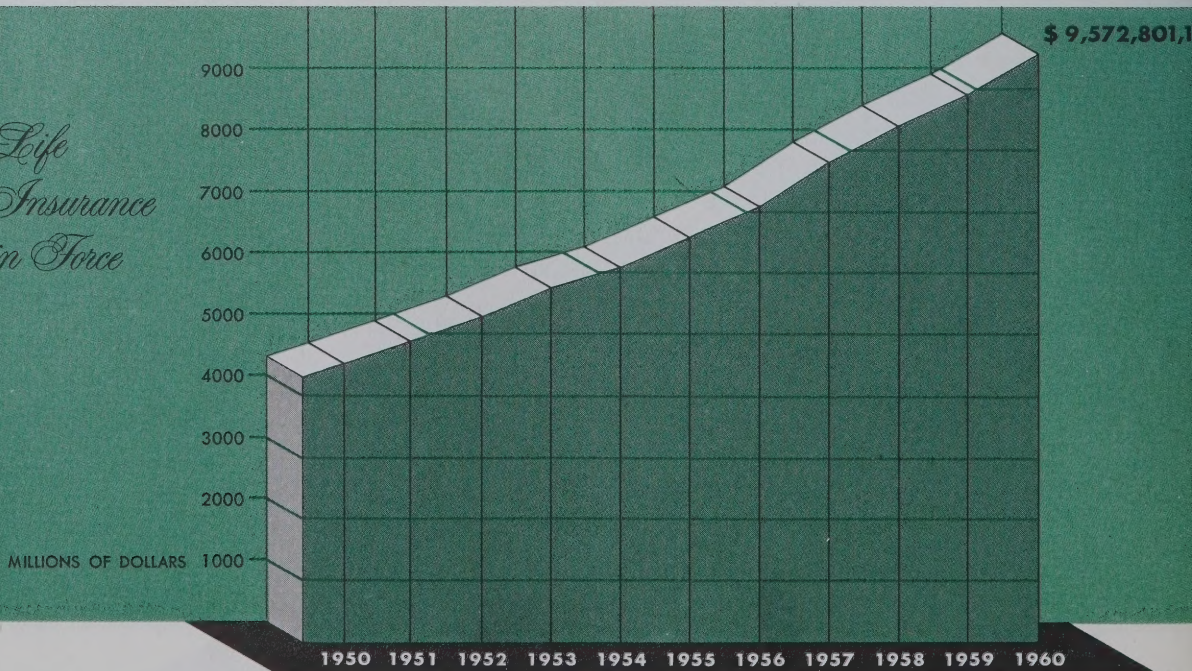
The actuarial liabilities, which are the amounts required to guarantee future payments to policyholders and beneficiaries under our existing life insurance policies and annuity contracts, constitute the major portion of our total liabilities. At the end of 1960 the actuarial liabilities amounted to \$1,867,124,482. As is our practice, the assumptions made in the calculation of the actuarial liabilities as to future interest earnings, mortality experience and expense rates provide ample margins over statutory requirements.

The other major liability item is an amount of \$191,005,730 which covers policy proceeds and other amounts which policyholders and beneficiaries have elected to leave on deposit with the Company at interest for future distribution at the payees' discretion.

Income

The total income of the Company for the year 1960 was \$373,965,291. Premiums for insurances totalled \$193,471,184,

*Life
Insurance
in Force*



and for annuities \$38,313,545. As a result of the growth in assets and a higher earned interest rate, the income from interest, dividends and rents at \$108,431,074 was \$7,405,515 more than in 1959.

Expenditure

Reference has been made to the largest items of expenditure, namely benefit payments to policyholders, annuitants and beneficiaries, and the necessary additions to actuarial and other policy liabilities.

The increase in operating expenses was again relatively small. It is gratifying to be able to report that substantial progress has been made in changing over many of our actuarial, accounting and statistical procedures to our large-scale electronic computer. The changes in routines and procedures involved in the introduction of the new systems have been numerous. Worthwhile results have been, and will continue to be, achieved with increased work interest for many of our staff.

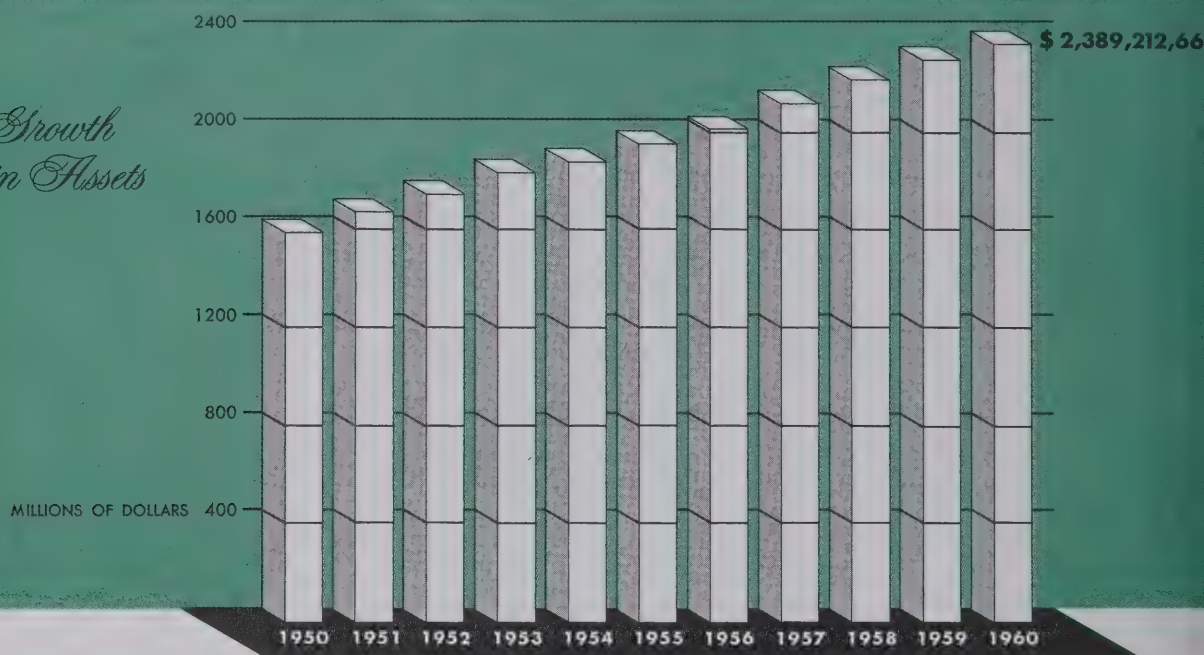
Interest Rate

In recent years the demand for capital funds has resulted in a steady rise in interest rates. Early in 1960, however, this rising trend was halted and during the latter part of the year there was some decline from the peak reached on the upward swing. As a continued reflection, however, of the higher level of interest rates prevailing in the past few years, the rate earned on the Company's assets increased from 4.70% in 1959 to 4.85% in 1960. The net rate for 1960 after taking into account investment taxes and expenses was 4.57%.

Earnings

Surplus earnings from insurance operations were \$62,390,526 in 1960 as compared with \$57,722,490 in the previous year. These earnings are the amounts remaining from the Company's premium and interest income after making policy payments, meeting expenses and taxes, and providing the necessary additions to actuarial liabilities. The higher interest rate and improved mortality experience combined to produce the increase in insurance earnings over the previous year. Additional earnings of \$1,989,747 were realized from the sale and redemption of securities. Of the total earnings, \$41,090,012 have been allocated for

Growth in Assets



dividends to policyholders, and \$13,000,000 to write down the value of the Company's shares acquired under the mutualization plan. The balance of more than \$10,000,000 was added to the Company's surplus which now amounts to \$181,944,877.

Dividends

The Company is adopting new dividend scales effective April 1st, 1961, which will result in increased dividends for most classes of individual participating policies issued at Northern premium rates. This will be the twelfth consecutive year in which a revision of the Company's dividend scales has increased the total amount of dividends to participating policyholders. Due to this revision and the larger amount of business in force, our dividend payments to policyholders during 1961 will increase to approximately \$41,400,000, which is almost \$3,000,000 more than the amount paid in 1960.

Our People

No company underwrites new life insurance in excess of \$1,000,000,000 annually without having a loyal and skilled sales

force. Our field representatives are to be congratulated upon the success attending both their sales and service efforts.

I mentioned earlier the transfer to our electronic computer of many of our office procedures. This has not been accomplished without some strain upon our staff in many different areas. However, the Sun Life has always had the good fortune to be served by many conscientious, efficient people and the current staff is no exception.

On behalf of the Directors, therefore, I want to thank the officers, staff and sales force for their efforts in 1960.

Trials of Transition

I would like to devote the balance of my remarks to a consideration of the tangled skein of trends and attitudes that currently disfigure the face of the Canadian economy and distort its image to our friends abroad. For eighty years the Sun Life of Canada has conducted a wide-flung international business and, in the course of competing successfully on a friendly basis in many countries, has become one of Canada's foremost goodwill ambassadors abroad. Out of this experience we have developed a vital interest in all matters that affect Canada's relations with other countries. Canada's position in the world economy is in a transitional phase that is having an impact not only on our domestic economy but on our external relations. An appropriate title, then, for this portion of my address might be the Trials of Transition.

Why has the Canadian mood lost much of its buoyancy and optimism? To understand our current position, it is necessary to review the broad sweep of events that shaped our economy in the decade following the War. The key fact of that period was that the stimulus for Canada's rapid rate of growth came largely from external factors: the unlimited demands of a devastated Europe, and a world starved for goods of all kinds; the growing dependence of a rapidly expanding American economy on raw materials that could be safely and cheaply developed in Canada; a rising tide of skilled and resourceful immigrants. The easy period of growth terminated in 1957 following an unprecedented burst of plant and equipment expenditures that left us with a legacy of high costs and prices, over-capacity in most industries, a persistently high level of unemployment, and a stubborn propensity to import both goods and capital in large quantities. These problems were thrown into bold relief as world demand for

Canadian goods and materials slackened, and as a flood of low-priced, good-quality foreign goods swept into the Canadian market.

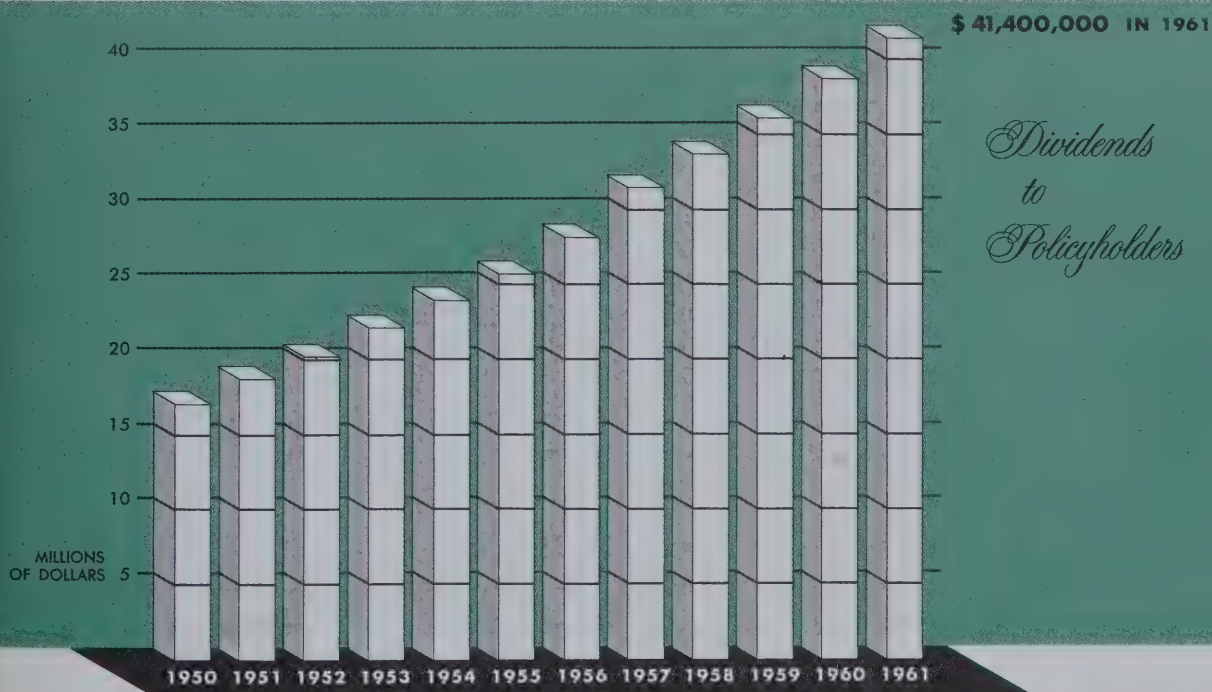
Recognition that the initiative for future growth had shifted from external to domestic hands was delayed; first, by a false sense of well-being induced by enthusiastic foreign-investor interest in Canada; secondly, by a widespread belief in the continuance of inflationary tendencies. Our problems are now deemed by many to be so intractable that former over-optimism has given way to what I believe to be over-pessimism about our ability to cope with them. The truth is that we have not exhausted our capacity for growth; in the future the stimulus of foreign investment must be combined with greater initiative and effort on our own part. The trials of transition associated with this change challenge us both in our future external trading relations and in a necessary realignment of our domestic industrial structure.

Transitional problems in the external field revolve principally around our trade relations with the United Kingdom and Europe on the one hand, and the United States on the other. The prospect of a dynamic rate of growth in Europe in the decade ahead suggests the necessity of broadening our trading contacts in that area. The formation of the European Common Market involves special problems for Canada, but does not raise insuperable barriers to the expansion of our trade. The apparent advantages—at least in the economic sphere—for the United Kingdom to move into closer alignment with the Common Market demands a realistic acceptance on our part of the probability that this will occur. Therefore we should concentrate our efforts on negotiating for the maximum development of Canadian interests in such an event.

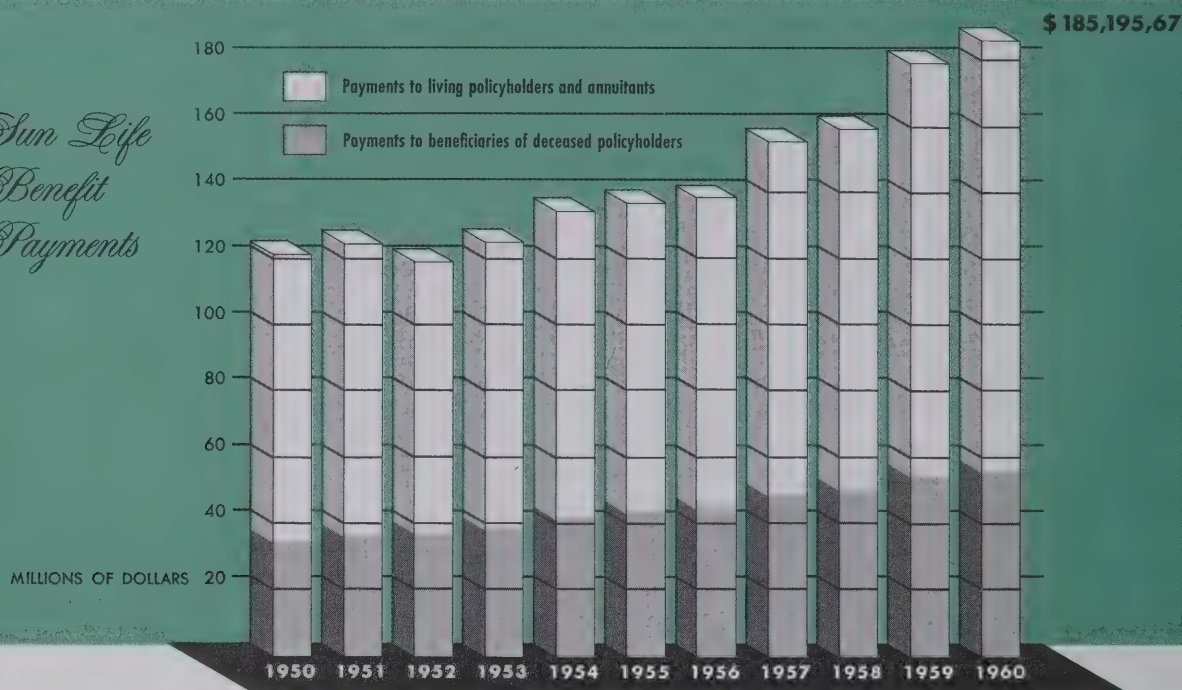
Nevertheless, our major problem will continue to be achievement of a better trading balance with the United States. My concern about Canada-United States relations, however, includes a much wider area than purely trading aspects. There has been widespread debate and controversy in Canada about economic domination of Canada by the United States, and the apparent tendency for American attitudes to engulf our way of life. Some of the debate has been conducted in reasoned terms relating to economic or other national aspirations. Too frequently, however, public and private statements by Canadians have degenerated into emotional expressions of nationalism that serve no constructive purpose and could do irreparable damage to future Canada-United States relations.

Canadian apprehensions about the degree of United States control of Canadian business can certainly be appreciated by our American friends when they realize that approximately half of our secondary manufacturing industry and mining enterprises, and three-quarters of our oil and natural gas development, are controlled by American interests. Most of this has been achieved and exercised with respect for Canadian interests and has greatly benefited Canada, but it is not surprising that outside ownership on such a huge scale has produced conflicts of interests. Because of the great similarities in our two economies and peoples, many American businessmen have treated their Canadian operations not as foreign, but as an extension of their domestic business. While in one sense we can regard this treatment as natural and complimentary, in another sense it has led some American managements to overlook their obligation to be good corporate citizens in their host country.

I strongly suggest that discussions of our mutual problems must always recognize two basic principles. First is the high degree of interdependence between our two countries. Canada is a North American nation, and we owe much of our present



Sun Life Benefit Payments



standard of living to our economic and other contacts with the United States. Rather than indulge in negative emotional resistance to this fact, we—and Americans too—should recognize that dependence works both ways. We depend on the United States for export markets, capital and technical knowledge; in turn, the United States depends on Canada for its largest single export market and for the supply of a number of essential materials. If we recognize the problem as one of *interdependence*, we can more rationally explore—preferably industry by industry—where interdependence can be extended and where it might be restrained.

My second principle is that Canadians should recognize that our overall relations with the United States are no longer entirely a private affair between two friendly neighbours. For more than a century Canadians have, from time to time, indulged in outbursts of emotional criticism of the United States without arousing a ripple of interest abroad, in the United States or elsewhere. Now, too much is at stake, for the position of the United States as the head of the Western Alliance is such that friend and foe alike tend to seize on the more irresponsible expressions of Canadian

attitudes and, through misunderstanding or design, distort them in a way that undermines our mutual interests.

Acceptance of these principles in no way implies a relapse into the role of a silent, but disgruntled, partner; rather, we need to broaden and improve the channels of communication between our two countries. There is now an opportunity for Canada to take the initiative in attempting to review all aspects of Canada-United States relations and to establish a higher degree of mutual confidence and understanding. This assumes vital importance at a time when a new Administration in Washington is reconsidering American foreign and economic policy. The Canadian Government has a clear responsibility to formulate and follow a co-ordinated approach to trade and investment policy—objectives stated clearly and publicly—followed by careful negotiations. I commend also an extension of the constructive work of analysis and comment by various committees at both the business and governmental level—committees formed for the purpose of exploring points of friction between the United States and Canada, and promoting a better mutual understanding. Canadian financial institutions can play a constructive role by emphasizing the Canadian point of view in their day-to-day relations with American companies.

There is some danger that excessive preoccupation with one of our problems, the degree of our dependence on foreign capital, will not only jeopardize our bright, longer-term prospects, but also prolong and deepen the cyclical adjustment period through which we are currently passing. We must beware lest international investors, discouraged and puzzled by the confusions in Canadian attitudes, should lose interest in Canada; in the past year the extensive connections of Sun Life in international financial centres have been giving us friendly warnings that the image of Canada abroad was becoming somewhat fuzzy. Certain measures have been taken in the interim Budget of December last year to alter the balance between domestic and foreign capital; Canada's foreign friends need repeated and firm reassurance by the Government that Canada has no intention whatever of retreating into economic isolation.

If Canadian initiative is to spark our future growth, its greatest challenge will be the expansion and development of a profitable secondary manufacturing industry. We must look increasingly to this sector of our economy for the creation of new job opportunities. The most rewarding line of approach to this objective is to create the conditions in which a distinctive Canadian technology

can develop and flourish. The principal requirements for such a development are: a highly-skilled work force; an expanding and broadly-based programme of Canadian research; and more effective incentives for new and existing industries to develop and market new products protected by Canadian patents and with world-wide marketing rights.

Recent surveys reveal that the hard core of our unemployed is unskilled workers with low educational attainments. In announcing a comprehensive re-training programme, the Government has recognized this problem and its efforts in this field should prove constructive. An essential step is further broadening of the opportunities and encouragement for Canadian youth to acquire senior high school and university levels of education. The Sun Life has paid special attention to promoting public interest in education and giving support to our higher institutions of learning, and we will continue to do so.

Canadian research is undoubtedly the keystone in any long-range programme to stimulate growth and diversify Canadian industrial activity. While Canada has benefited greatly in many fields by access to American and European research, the time has come to greatly expand our own research facilities. Fundamental research, as distinct from applied research, has been conducted mainly through Government agencies and in our Universities. While we must look to Government to finance the major part of an expanded programme of fundamental research, business firms must play an increasing role in this field themselves and give more support to university research. Applied research can most flexibly be expanded by industry itself working in co-operation with existing research organizations, Provincial Governments, and the Universities. A greatly expanded programme of Canadian research would not only retain research talent in Canada, but would result in the establishment of new industries and in a flow of new Canadian products which could compete effectively both domestically and abroad.

The development of new industries, new techniques and new products will require a broad programme of tax incentives and improved facilities for the mobilization and investment of risk capital. Recently announced Government proposals with respect to taxes and the financing of small businesses are welcome first steps in this direction.

A prerequisite to coping successfully with the problems of transition is firm control over Canadian industrial costs and prices. These costs are already high, due to rapid wage increases,

problems of transportation and weather, small markets, an expensive multiplicity of governmental bodies, and an elaborate structure of welfare payments. Increased productivity is part of the answer. We will be successful, however, only if all elements in our society—government, labour, management, and the ordinary citizen—moderate significantly the scale of their demands on the economy. Only in this way can we ever hope for a reduction in the burden of taxation, the high level of which is one of the chief obstacles to an early resumption of a satisfactory rate of saving and growth.

The problems of transition have brought into bold relief differing views on the manner in which the Bank of Canada is currently interpreting its role of furthering the financial and economic interests of the country as a whole. Most people will agree with the Governor of the Bank of Canada that many of the problems facing us to-day are not of a kind that can be solved through monetary action alone. Yet there are problems in the area of foreign exchange and interest rates where the Bank's position is much more controversial. After a quarter of a century of operation, it is perhaps opportune to re-examine the policy-making processes of the Bank, and the adequacy of the tools at its disposal. In particular, it could be useful to enquire into means of implementing a smoother functioning of the capital markets and of improving the lines of communication between the Bank and the business and financial communities, so that Bank policy and the reasons for it may be better appraised and appreciated. A broad examination of the functioning of Canada's financial structure would be most constructive at this time.

In conclusion, I would emphasize as strongly as I can that there is no reason to be gloomy about Canada's prospects either over the long or short run. On the other hand, worthwhile gains in productive economic activity will be won only by the closest attention to cost control and imaginative thinking in developing new products and new markets. The outlook is not so critical in any area—domestic or international trade, balance of payments or foreign ownership of Canadian assets—as to warrant a sharp shift in policy or a negative response to the new challenges of a changing and highly competitive world environment.

*Delivered at Montreal
February 14, 1961.*

The 90th Annual Report of the

During the year 1960

We received

Premiums for insurances	\$193,471,184
Premiums for annuities	38,313,545
Policy proceeds and other amounts left at interest for future distribution to policyholders and beneficiaries	31,759,741
Interest, dividends and rents	108,431,074
Net profit from the sale and redemption of securities after adjustment of asset values	1,989,747
	<u>\$373,965,291</u>

And distributed in

Payments to policyholders and beneficiaries:	
Death benefits	\$ 55,424,380
Disability, accident and sickness benefits	6,032,969
Matured endowments	33,894,952
Annuity payments	13,221,606
Dividends	38,470,417
Surrender values	38,151,346
	<u>\$185,195,670</u>
Payments of policy proceeds and other amounts previously left at interest	39,050,740
Additions to policy liabilities required for future payments to policyholders and beneficiaries	71,944,385
Agency commissions	12,705,713
Operating expenses	33,074,207
Government taxes	8,416,663
Public health and welfare contributions	290,079
Adjustment in value of Company's stock purchased under mutualization plan	13,000,000
Increase in surplus	10,287,834
	<u>\$373,965,291</u>

Life Assurance Company of Canada

At the end of the year 1960

We held assets

Bonds — Government, municipal, public utility and other . .	\$1,319,140,109
Stocks — Preferred and guaranteed	27,962,531
Stocks — Common	172,131,488
Mortgage loans on homes, industrial plants, etc.	608,636,749
Real estate — Company buildings	23,719,451
Real estate — Held for investment	42,122,989
Loans to policyholders on their policies	95,548,763
Company's stock owned	30,000,000
Outstanding premiums	17,891,659
Interest and rents due and accrued	23,854,365
Cash	23,746,997
Other assets	4,457,561
	<u>\$2,389,212,662</u>

To meet liabilities

Actuarial liabilities:	
Insurances	\$1,254,955,872
Annuities	612,168,610
	<u>\$1,867,124,482</u>
Policy proceeds and other amounts left at interest for future distribution to policyholders and beneficiaries	191,005,730
Reserves on Company pension plans	16,685,640
Policy benefits in process of payment and provision for unreported claims	22,466,974
Provision for dividends payable to policyholders during the year 1961	41,390,980
Taxes and expenses due and accrued	8,205,783
Miscellaneous liabilities	20,388,196
Capital stock	2,000,000
Investment reserve	38,000,000
Surplus	181,944,877
	<u>\$2,389,212,662</u>

Auditors' Report

Sun Life Assurance Company of Canada, Montreal

We have made an examination of the attached financial statement of the Sun Life Assurance Company of Canada for the year 1960. In this connection we made a general review of the Company's accounting methods and examined or tested the accounting records and other supporting evidence. We have obtained all the information and explanations which we required.

The securities in which the funds of the Company are invested were verified by personal inspection or by certificates obtained from depositaries. The securities are carried and shown in the financial statement at book values. The total book value of the securities is less than the total of the actual market values prescribed by the insurance law of Canada.

The Actuarial Liabilities of the Company under the various insurance and annuity contracts have been certified to by the Actuary of the Company and accepted by us.

We report that in our opinion the attached financial statement is properly drawn up so as to exhibit a true and correct view of the financial position of the Company at December 31, 1960 and of the results of its operations for the year then ended, according to the information and explanations obtained by us and as shown by the books and records of the Company.

(Signed) ROSS, TOUCHE & Co.,

MONTREAL, February 2, 1961.

Chartered Accountants.

Notice of Annual Meeting

The Annual Meeting of the Sun Life Assurance Company of Canada is held at its Head Office in Montreal at half past two o'clock in the afternoon on the second Tuesday in February of each year. Policyholders are cordially invited to be present.

Every person who has contracted with the Company for a participating policy, and who holds such a policy upon which no premiums are due, is a member of the Company and is entitled to attend and to vote in person or by proxy at general meetings of the Company. Any policyholder who qualifies as a member may obtain a blank form of proxy on request therefor in writing to the Secretary of the Company.

For Every Need—A Sun Life Policy

The Sun Life of Canada, through its many hundreds of trained field representatives in communities across the country, provides *dependable* service to meet your life insurance needs. Up-to-date policy plans have been designed to afford the most effective means of providing protection and security suited to the individual circumstances of the policyholders. Most Sun Life contracts contain generous cash and loan value privileges during the life of the policy with a broad range of settlement options when the proceeds become due.

Some of the more specialized forms of coverage which your Sun Life representative will be happy to discuss with you—in addition to a wide selection of life and endowment plans—include the Family Security Benefit; Family Income Policy; Retirement Annuity; Mortgage Protection Insurance; Guaranteed Insurability Benefit; Adjustable Policy; Educational Insurance; Group Life & Health Insurance and Group Pension plans; and many more.

ONE OF THE GREAT LIFE INSURANCE COMPANIES OF THE WORLD

NINETY years have passed since the first Sun Life policy was written in Montreal. Today, experienced Sun Life representatives offer prompt and efficient service to policyholders and others in many parts of the world. From coast to coast in Canada, in 43 States of the United States, throughout Great Britain and Ireland, in Southern Africa, the West Indies and other countries, there is a trained agency organization within reach. Additionally, Sun Life branch offices are well equipped to provide expert policyholder service. Wherever you may be, communication with the Company's Head Office on any matter affecting your Sun Life policy is always welcome.

EDUCATION IS FOR EVERYONE

The Sun Life of Canada is sponsoring a continuing series of original leaflets on various aspects of Education—for the adult as well as the teen-ager. Ask any Sun Life representative for a copy of the VALUES IN EDUCATION series.

Officers of the Company

GEORGE W. BOURKE, F.I.A., F.S.A., *President*

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Vice-President and Chief Actuary

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Vice-President, Underwriting

HUGH McLEOD, F.S.A.

Vice-President, Group

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Vice-President and General Counsel

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R. A. TAYLOR

Comptroller

D. H. WOODHOUSE, M.D.

Medical Director

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L. J. BROWN, F.S.A.

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T. M. GALT, F.S.A.

A. H. GRAY, F.S.A.

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A. D. FRASER

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A. G. DENNIS

M. D. LOUCKS

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General Superintendent, Group Sales and Service:

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Group Underwriting Officer:

R. D. BALDWIN, F.S.A.

Superintendents:

Associate Group Actuaries:

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G. J. FERGUSON

A. C. McCALLUM, F.S.A.

Group Service

TREVOR ROSS

A. C. M. ROBERTSON, F.F.A.

Group Pensions

W. F. WATSON

Assistant Superintendent of Group Insurance Administration:

G. A. MITCHELL

Assistant Superintendents:

Group Pensions

J. S. GUNN

Group Sales and Service

J. G. TYRRELL

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H. MCAUSLANE
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M. G. SPANKIE, P.ENG.

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Superintendent of Mortgages:

G. A. GOLDEN

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U.S. Mortgage Officer:

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Assistant General Counsel:

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B. R. RITCHIE, B.C.L.

Assistant Counsel:

J. A. BRABANT, B.C.L.

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T. R. HALE, M.D.

Assistant Medical Director:

J. G. HELLSTROM, M.D.

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Superintendent of Policy Administration:

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R. F. JOHNSON
FLORENCE M. RICHARDS

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R. T. WISEMAN, F.S.A.

Assistant Planning Officers:

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L. M. CLARK
J. F. EMMS
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M. N. LARSEN
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F. S. KING

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Taxation Officer:

ADAM MEIKLEJOHN

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H. T. N. PETERSON

Assistant Secretary:

G. E. MERRITT

Superintendents of Claims:

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S. M. HARDY

Assistant Superintendents of Claims:

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C. H. HOPKINS

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Assistant Superintendent of Underwriting:

J. F. A. MACINTOSH

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A. R. HASLEY

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J. L. HARRIES

Manager of Agencies:

J. A. BRINDLE

Resident Actuary:

M. C. POLMAN, F.I.A.

Resident Secretary:

O. C. FORSDYKE

Resident Treasurer:

P. R. MACGIBBON

Consulting Medical Officer:

S. ORAM, M.D.

Sun Life Service Coast to Coast

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153 8th St.

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Empire Bldg;
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Mansfield J. M. CHERNIN
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Mount Royal H. E. MACK
St. James W. E. LALONDE
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Cavendish L. G. BENTLEY
5757 Decelles Ave:
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St. Hubert P. MADORE
6260 Victoria Ave:
Queen Mary T. TOKARSKI
Van Horne R. J. BAKER
310 Victoria Ave., Westmount:
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Bay E. CLIFFORD MARR, C.L.U.
3077 Bathurst St:
Forest Hill B. HERBERMAN, C.L.U.
191 Eglinton Ave., E:
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Nortown L. P. McQUADE, C.L.U.
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Yonge J. KEEFFE, C.L.U.
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Scarborough J. T. GRAY, C.L.U.
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Willowdale A. D. ADAMSON, C.L.U.

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Heyburn Bldg.		121 South Broad St.		2 Brunswick Circle Extension	C.L.U.
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